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# Oracle Fusion Cloud Enterprise Data Management

Structural Transformation Engine for Digital, Business, and Financial Metamorphosis of the Enterprise

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# Oracle Fusion Cloud Enterprise Data Management (EDM): Enabling and De-risking Enterprise Transformations

## Executive Summary

In today's rapidly evolving business landscape, enterprises face constant pressure to transform their operations, financial systems, and overall business models. Oracle Cloud Enterprise Data Management (EDM) emerges as a critical solution for managing and governing these transformational changes. This whitepaper explores how Oracle Cloud EDM acts as a powerful enabler for various types of enterprise transformations, providing a robust framework for change management, governance, and risk mitigation.

## Introduction



According to McKinsey & Company, one of the most significant catalysts for enterprise digitization, the process of transforming a company's operations, business models, and processes into digital formats by adopting modern technologies, represents \$1 trillion in business value that cloud adoption can unlock. Some organizations, however, are leaking their share of that value instead of capturing it, with inefficiencies in orchestrating cloud modernization, cloud transformation, application instance reduction, on-going change management and governance issues, thereby adding unexpected costs and delays. According to McKinsey, for migrations alone, cost overruns at a global level add up to well over 10% of the spend or \$100 billion in wasted spend over

the course of migration over a three-year period. In fact, these inefficiencies cost the typical enterprise 14 percent more in migration spending than planned each year, pushing 75 percent enterprises over budget each year. Since modelling the future is hard to commit while operating one's business, change management, not surprisingly, is the top area of over-budget spending cited. In terms of schedule, 38 percent of same enterprises surveyed have seen their migrations delayed by one quarter or more.<sup>1</sup> Applying modern digital tools like Oracle Cloud EDM to model the future today can make transformation and on-going changes more durable, and mastering the art of changing quickly can be a critical competitive advantage in making the proverbial elephant dance.

Enterprise transformations, whether digital, business, or financial, are complex undertakings that involve managing structural changes that impact vast amounts of data across multiple systems and processes. Oracle Cloud EDM is designed to streamline these transformations, offering a comprehensive platform for data governance, change management, and compliance that support both transformational and routine changes.

## Cloud EDM: The Transformation Enabler

### 1. Digital Transformations: From Ground to Cloud

As organizations migrate from on-premises systems to cloud-based solutions, Cloud EDM serves as a crucial bridge, ensuring data integrity and consistency throughout the transition. Your systems of record are designed to drive mission-critical business processes so one might operate one's business effectively. Yet, as we transition from legacy solutions to modern cloud-based solutions, we need an environment in which to structurally model tomorrow's systems today. EDM provides the sandbox in which to model multiple scenarios, back test these against historical transaction bases, secure approval from stakeholders once they are convinced of the rewards

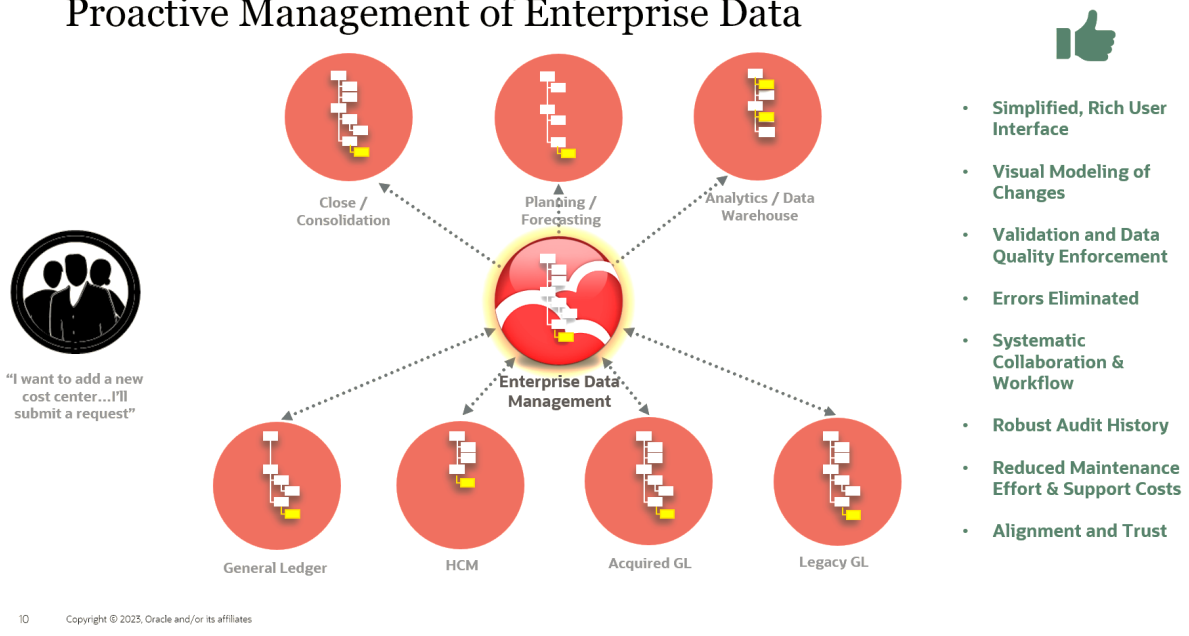
<sup>1</sup> Balakrishnan, T., Gnanasambandam, C., Santos, L., & Srivathsan, B. (2021, October 12). *Cloud-migration opportunity: Business value grows, but missteps abound*. Retrieved December 3, 2024, from [https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/cloud-migration-opportunity-business-value-grows-but-missteps-abound#](https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/cloud-migration-opportunity-business-value-grows-but-missteps-abound#/)

and incentives of the new operating model, and then deploy to the target production environment to jumpstart the enterprise’s cloud journey. EDM’s role is not limited to the transformation process alone.

On-going change management and governance are a critical, time-consuming, and laborious process that deserves proactive handling via adaptive governance workflows. Following every transformation, EDM falls back to the steady state of managing routine change until the next time you need to deal with another transformation.

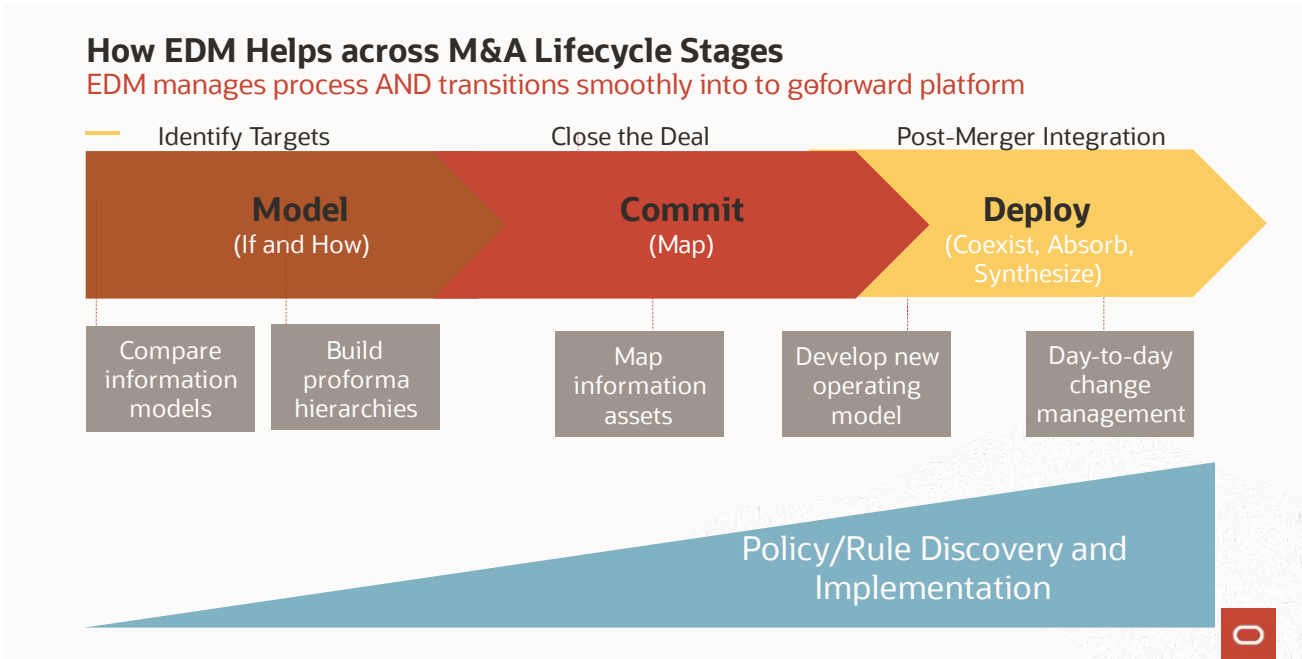
EDM’s request driven approach ensures that both frontline users and super users alike make changes within the confines of a change request. That request can be simple or complex. Based upon pre-configured data permissions and data policies, EDM invites stakeholders to submit, enrich, approve, commit, and be notified of changes. Changes are recorded in a shopping cart style experience that is accessible to data citizens and experts alike. Changes are visualized a priori before end users submit changes. One can invite peers to collaborate on changes and, in real time, co-author changes digitally to speed up consensus building and imbue the change process with agility. Standardize, validate, query, compare, reconcile, match and merge enterprise data to build high quality, trustworthy information assets. Gain compliance peace-of-mind by sharing a rich audit history with auditors, both internal and external.

## Proactive Management of Enterprise Data



**Example:** A global manufacturing company leveraged Cloud EDM to manage its migration from legacy ERP systems to a cloud-based solution. EDM facilitated the mapping of old data structures to new ones, ensuring no critical information was lost or misplaced during the transition. They do so by designing their go forward operating model and then mapping to it within EDM. While the new structure is deployed to their SaaS application, the mappings are utilized by data movement tools to migrate historical transaction bases.

## 2. Business Transformations: M&As, Divestitures, and Reorganizations

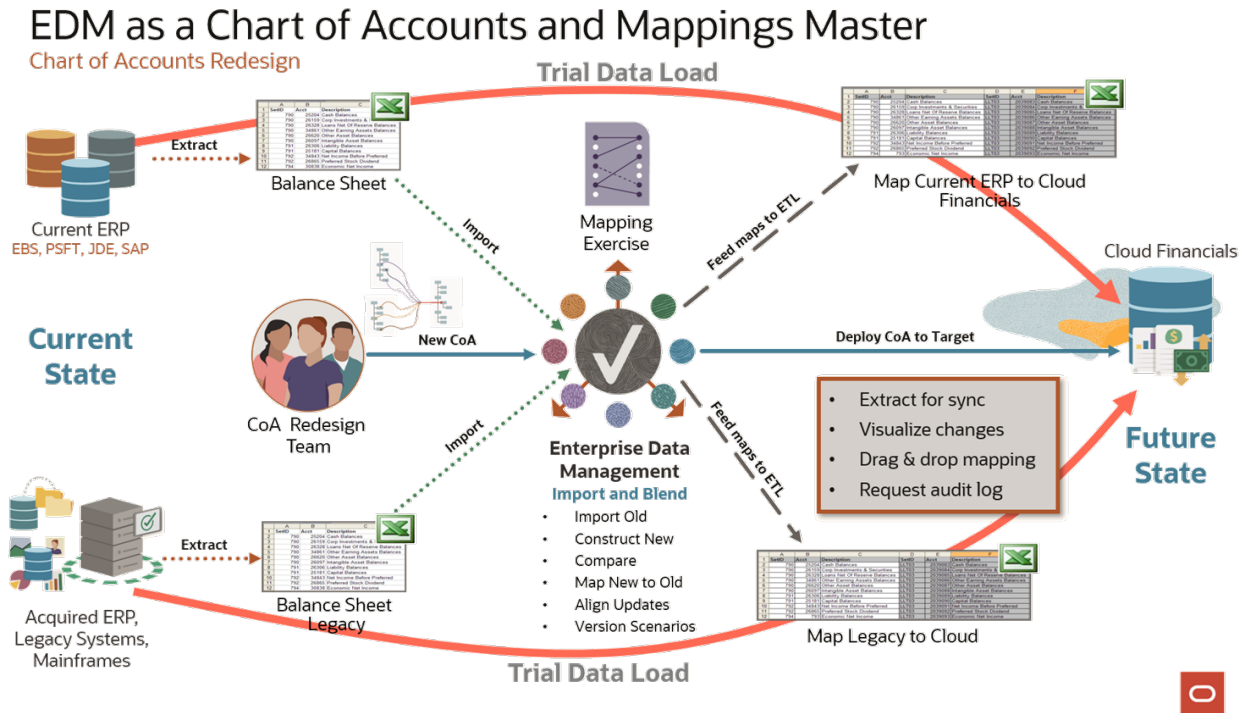


During major business events like mergers, acquisitions, or restructuring, Oracle Cloud EDM provides a central platform for managing organizational changes and their impact on data structures. Every time an enterprise explores an acquisition, it is customary to do its due diligence. Structural evaluation of the candidate’s chart of accounts, product portfolio, facilities, suppliers, etc., can give a bird’s eye view of the potential synergies, and overlaps. Once an acquisition is closed, EDM allows enterprises to map the acquired structures into one’s corporate structure to determine its go-forward organization, job roles, products, locations, suppliers, and chart of accounts, identify redundancies, run what if scenarios, secure approvals on go-forward structures and minimize risks as you pivot forward. EDM’s time labels help recreate snapshots in time dynamically so you can compare current perspectives with historical points in time to evaluate how structural changes post-acquisition have impacted synergies. The same principles can be applied to carve out spin outs and model a new company so the parent entity can focus on its core competencies.

**Example:** When a multinational corporation acquired a competitor, Cloud EDM was used to harmonize the chart of accounts, reporting structures, and master data between the two entities. This ensured a smooth integration of financial systems and reporting processes. The combined entity was able to retire legacy ERP/GL systems from multiple vendors expeditiously in favor of a go-forward system based upon a modern SaaS experience.

### 3. Financial Transformations: ERP/GL Redesigns and Consolidations

For finance teams undertaking significant changes in their financial systems, Cloud EDM offers powerful tools for designing and implementing new structures while maintaining historical data integrity.



**Example:** A diversified holding company used Cloud EDM to design and implement a global chart of accounts, consolidating multiple ERP instances into a single, standardized system. This enabled more efficient financial reporting and analysis across all business units.

### Cloud EDM as an Insurance Policy

Implementing Cloud EDM can be viewed as taking out an insurance policy against the risks associated with major transformational events:

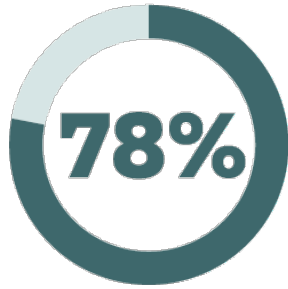
1. **Risk Mitigation:** By providing a centralized platform for change management, EDM reduces the risk of data inconsistencies, errors, and compliance issues during transformations.
2. **Continuous Governance:** EDM acts as an ongoing governance engine, ensuring that all changes are properly vetted, approved, and documented.
3. **Audit Trail and Compliance:** The platform's robust auditing capabilities provide a clear trail of all changes, supporting compliance requirements and offering peace of mind to stakeholders.
4. **Scenario Planning:** EDM allows organizations to model different transformation scenarios, helping to identify potential issues before they occur in production systems.

### Real-World Value Proposition

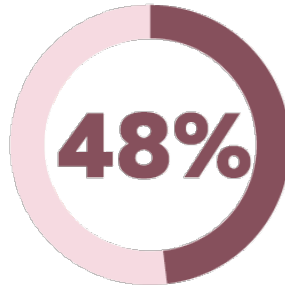
1. **Accelerated Transformations:** Cloud EDM streamlines the change process, reducing the time and resources required for major transformations.
2. **Enhanced Decision Making:** By providing a clear view of data relationships and impacts, EDM enables more informed decision-making during transformational events.
3. **Reduced Costs:** The platform's efficiency in managing changes can lead to significant cost savings in large-scale transformation projects.

4. **Improved Data Quality:** EDM's validations, constraints, match, merge and change calendar control capabilities ensure that data quality is maintained and improved throughout the transformation process.
5. **Increased Agility:** With EDM, organizations can respond more quickly to market changes and new business opportunities by modeling futures without affecting standing 'record and report' processes.

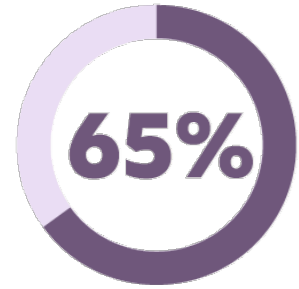
## Oracle EDM: Transform Faster, Efficiently and With Transparency



improved productivity  
and change management  
efficiency



increased transparency  
into structural  
changes



reduction in time  
for business change  
management

In a recent value survey, Oracle found that EDM helped customers experience faster digital and finance transformations through simplified chart of accounts redesign as well as less configuration time per application. Oracle EDM customers cited improved productivity and efficiencies when it comes to managing routine chart of account changes (such as adding a new cost center) or managing more transformative structural changes (such as mergers and acquisitions) as their top benefit, with most of them realizing these benefits in as little as three to six months. These organizations adapt and respond to business changes faster while also gaining efficiencies and with greater transparency.

## Conclusion

Oracle Fusion Cloud Enterprise Data Management (EDM) stands as a critical enabler for organizations undergoing complex transformations. By providing a robust platform for change management, governance, and risk mitigation, Cloud EDM not only facilitates smoother transitions but also acts as an insurance policy against the inherent risks of major change events. As enterprises continue to evolve in an increasingly dynamic business environment, Cloud EDM offers the tools and capabilities needed to navigate transformations with confidence and control.

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